

ARTICLE V

Suspension or Termination

1. The United States may suspend or terminate this Agreement by giving sixty (60) days written notice to Jordan.
2. This Agreement may be amended or modified by mutual consent of the United States and Jordan.

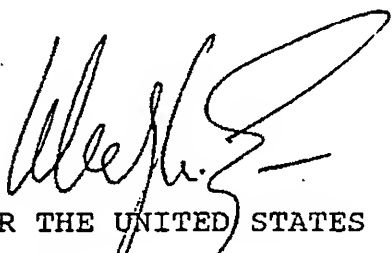


ARTICLE VI

Entry into Force

This Agreement shall enter into force following signature of the Agreement and receipt by Jordan of written notice from the United States that all necessary domestic legal requirements for entry into force of the Agreement have been fulfilled.

Done at Amman, Jordan, in duplicate, this 25th day of August, 1997.



FOR THE UNITED STATES
OF AMERICA

FOR THE HASHEMITE
KINGDOM OF JORDAN



Annex A
Contracts Subject to Rescheduling

Export-Import Bank
Loan Number

60401

Department of Defense
Loan Numbers

JO-896G (12/21/88)
JO-897G (12/21/88)

Housing Guaranty Program
Loan Number

278-HG-001

PL-480
Agreements Dated

11/29/76
1/10/78
1/17/79
10/31/89
5/10/92

Annex B1
Summary of Consolidated Arrears
and Consolidated Debt

(thousands of US dollars)

EXIM	\$1,200
DOD	\$12,636
HG	\$683
Total	\$14,519

Annex B2
Summary of Consolidated Arrears
and Consolidated Debt

(thousands of US dollars)

EXIM	\$2,300
DOD	\$36,872
HG	2,048
Total	\$41,220

Annex C1
Summary of Consolidated ODA Arrears
and Consolidated ODA Debt

(thousands of US dollars)

PL-480	\$498
Total	\$498

Annex C2
Summary of Consolidated ODA Arrears
and Consolidated ODA Debt

(thousands of US dollars)

PL-480	\$2,306
Total	\$2,306

ANNEX D

Repayment Provisions on Amounts Due
to the Department of Defense

All payments of principal and interest are payable in immediately available funds, free and clear of, and without deduction for, any taxes, levies, imposts, deductions, and withholdings whatsoever now or hereafter imposed, levied, collected, or assessed with respect thereto by any central or local authority of the Borrower and shall be paid free from all restrictions of any central or local authority of the Borrower.

The terms of this Agreement require payment in immediately available funds. To meet this requirement, request the payment be wire transferred to the Defense Security Assistance Agency through the Federal Reserve Bank of New York. The wire transfer must include the following payment instructions:

021030004

Payment Amount (in U.S. dollars)

TREASURY NYC/(97000002)DSAA/COMPT/FMD PENTAGON

(Begin third party text - may use up to 230 characters with this optimum format; this text should include the precise loan installment(s) to which the remitted amount should be credited.)

Interest shall be computed on the basis of the actual number of days using a 365-day factor. Repayments which are due on a Saturday, Sunday, or public holiday, shall be made on the next succeeding business day in accordance with the laws of the United States. This extension of time, if applicable, shall be included in computing the interest on such repayments, but excluded from the next interest period, if any. Failure of the borrower to make full repayment when due of any installment(s) of principal and/or interest shall result in an aggregate amount payable of the overdue installment(s), plus additional interest thereon at the rate specified from the due date to the date of repayment. If an installment payment made by the Borrower is insufficient to satisfy the aggregate amount of principal and interest then due, such repayment shall be applied first to satisfy the interest due with the remainder, if any, applied to satisfy the principal amount of the installment.

In order to determine accurately the actual cost of funds applicable to debt due DSAA and hereby rescheduled, the interest rate shall be assigned at the time DSAA provides the notification implementing this Agreement pursuant to Article I, Paragraph 1. The interest rate stated in Article III, Paragraph 1(b) of this Agreement represents a best estimate only and may fluctuate prior to the assignment of the interest rate as noted above.

The Borrower shall have the right to prepay at any time and from time-to-time without penalty or premium, all or any part of the principal due under this Agreement. Each prepayment shall be accomplished by the payment of interest on the amount prepaid to the date of prepayment. Each such prepayment shall be applied to the principal installments in the inverse order of their maturity.

The Borrower represents and warrants that it has taken all action necessary and appropriate under its constitution and laws to authorize it to incur the indebtedness herein contemplated and to execute this agreement. The Borrower further represents and warrants that this agreement has been validly signed and entered into by the Borrower and is binding upon it in accordance with its terms and when delivered pursuant hereto, will constitute the valid and binding obligation of the Borrower for the payment and performance of which the full faith and credit of the Borrower is pledged.

If the Borrower shall fail to pay any amount due to the Department of Defense, or if any representation or warranty of the Borrower herein proves to be untrue in any material respect, the Department of Defense, by written notice to the Borrower, and giving the Borrower ten (10) business days to respond, may make immediately due and payable the entire principal indebtedness then outstanding and accrued interest thereon to date of payment.

All sums payable hereunder shall be payable without deduction for any present or future taxes, duties, fees or other charges levied or imposed by the Borrower or any political or taxing subdivision thereof.

No failure or delay on the part of the Department of Defense to exercise any right, power or privilege under this Agreement shall operate as a waiver thereof.

All statements, reports, certificates, opinions and other documents or information furnished the Department of Defense under this Agreement shall be supplied by the Borrower without cost to the Department of Defense. The Borrower shall reimburse the Department of Defense, on demand, for all reasonable and documented out-of-pocket expenses (including legal fees) incurred by the Department of Defense in connection with the enforcement of this Agreement.

To the extent that the Borrower has or hereafter may acquire immunity from suit, judgment, and/or execution, the Borrower agrees that it shall not assert or claim any such right of immunity with respect to any action to enforce its obligations under this Agreement, except as provided for in the borrower's judicial codes with respect to execution through the courts of the borrower.

Upon signature of this Agreement, the Department of Defense shall consider arrears as having been rescheduled for the purposes of resuming the provision of assistance to the Borrower. The Department of Defense will notify the Borrower of the amounts rescheduled, provide a repayment schedule of those amounts, and provide the actual interest rate assigned to this Agreement.

The Department of Defense portion of this Agreement shall be governed by, and construed in accordance with the laws of the District of Columbia, United States of America.

If the terms of this Agreement provide for the consolidation period to be extended beyond the initial consolidation period, and provided conditions contained therein are met, the Department of Defense will manage each extended consolidation period as a separate loan and identify it with a separate loan number and interest rate.

All communications between the Borrower and the Department of Defense shall be in writing, in the English language at the following address:

Defense Security Assistance Agency
Crystal Gateway North
Suite 303
1111 Jefferson Davis Highway
Arlington, VA 22202-4306

Facsimile: (703) 604-6538

ANNEX E
ADDITIONAL TERMS AND CONDITIONS WITH RESPECT TO
AMOUNTS OWING TO EXIMBANK

The Government of Jordan, (hereinafter referred to as the "Government"), agrees to the following additional terms and conditions with respect to the amounts owing to Eximbank, guaranteed by Eximbank, or insured by Eximbank, pursuant to the attached Agreement between the United States of America and the Government:

A. Definitions.

1. "Interest Period" means with respect to Consolidated Debt and Consolidated Arrears, a period initially beginning on June 1, 1997, and ending on April 29, 1998, and thereafter beginning on each Interest Payment Date and ending on the day immediately preceding the next succeeding Interest Payment Date.

2. "Interest Payment Date" means April 30 and October 31 of each year provided that in the event any Interest Payment Date is not a Business Day, then the next succeeding Business Day after such Date shall be the Interest Payment Date.

3. "Business Day" means any day on which the Federal Reserve Bank of New York is open for business.

B. Payments.

1. Funds and Place of Payment. All payments to be made by the Government to Eximbank under this Agreement shall be made in United States dollars in immediately available and freely transferable funds to the Federal Reserve Bank of New York for credit to Eximbank's account at the U.S. Treasury Department as identified below or as otherwise directed in writing by the Treasurer-Controller or an Assistant Treasurer-Controller of Eximbank.

U.S. Treasury Department
021030004
TREAS NYC/CTR/
BNF=/AC-4984 OBI=
EXPORT-IMPORT BANK
DUE ON EIB REFUNDING CREDIT NO. R-232
FROM JORDAN

2. Payment on a Non-Business Day. Whenever any payment falls due on a day which is not a Business Day, the due date for such payment shall be extended to the next succeeding Business Day, and such extension of time shall be included in the computation of Interest in connection with such payment.

3. Application of Payments. All payments made by the Government to Eximbank under this Agreement shall be applied chronologically (commencing with the oldest) to amounts then due and payable under this Agreement in the following order of priority:

(i) to Interest to the extent that any Additional Interest (as hereinafter set forth) due as of the date of payment on such Interest can be satisfied on the amount applied to such Interest, and if applicable, ratably to those installments due on the same date, and (ii) to the principal to the extent that any Additional Interest due as of the date of payment on such principal can be satisfied on the amount applied to such principal, and if applicable, ratably to those installments due on the same date.

4. Prepayments. The Government shall have the right to prepay on any Interest Payment Date all or part of the principal then outstanding under this Agreement; provided that the Government shall have paid all amounts due and payable under this Agreement as of the date of such prepayment, together with Interest which has accrued to the date of prepayment on the amount prepaid. Any such prepayment shall be applied by Eximbank to the outstanding installments of principal in the inverse order of their scheduled maturity, and if applicable, ratably to those installments maturing on the same date.

C. Exporter Retentions. The term "Exporter Retention(s)" means with respect to the Contracts stipulated in this Agreement, (i) that portion of commercial credits from commercial lenders or U.S. exporters which was not guaranteed or insured by Eximbank and is owed to such commercial lenders or U.S. exporters or (ii) loans from commercial lenders or U.S. exporters which were incurred in participation with loans from Eximbank. In the event that the commercial lender or U.S. exporter agrees to consolidate and reschedule its Exporter Retention(s) in accordance with the term of this Agreement, such Exporter Retention(s) shall be included in the subject rescheduling.

D. Computation of Interest. Interest shall be computed on the basis of the actual number of days elapsed, using a 365-day year.

E. Additional Interest. If any amount of the principal or Interest owing to Eximbank under this Agreement is not paid in full on the due dates set forth in this Agreement, the Government shall pay to Eximbank on demand Additional Interest on the unpaid amount, accruing from the respective due date until paid in full, computed on the same basis as Interest, at the Interest Rate applicable for each Interest Period during which such amount remains unpaid.

F. Representations. The Government represents and warrants that it has taken all action necessary or advisable under its laws and regulations to authorize the execution, delivery and performance of this Agreement and that this Agreement constitutes the valid and binding obligations of the Government, enforceable against the Government in accordance with its terms and for the performance of which the full faith and credit of the Government is pledged. The Government acknowledges that the activities contemplated by this Agreement are commercial in nature rather than governmental or public and agrees that, to the extent that it has or hereafter may acquire immunity from suit, judgment and/or execution, it will not assert or claim any such right of immunity with respect to any action by Eximbank to enforce its obligations under this Agreement.

G. Events of Default. In the event that the Government fails to pay when due (a) any amount owing to Eximbank under this Agreement or (b) any amount owing under any other agreement or instrument in which any indebtedness (whether direct or indirect, contingent or otherwise) of the Government thereunder is owed to, guaranteed or insured, in whole or in part, by Eximbank, then Eximbank, by written notice to the Government, may make immediately due and payable the entire principal amount owing to Eximbank and outstanding under this Agreement, plus accrued Interest and Additional Interest thereon to the date of payment, and all other amounts owing to Eximbank under this Agreement.

H. Miscellaneous Provisions.

1. Disposition of Indebtedness. Eximbank may at any time sell, assign, transfer, negotiate, grant participations in, or otherwise dispose of all or any portion of the indebtedness of the Government outstanding and owing to Eximbank under this Agreement to any party, and any such party shall enjoy all the rights and privileges of Eximbank under this Agreement. The Government shall, at the request of Eximbank, execute and deliver to Eximbank or to such party or parties as Eximbank may designate any and all further instruments as may be necessary or advisable to give full force and effect to such disposition by Eximbank.

2. Expenses. The Government shall pay on demand all reasonable costs and expenses incurred by or charged to Eximbank in connection with or arising out of this Agreement, including without limitation costs and legal fees incurred by or charged to Eximbank in connection with the enforcement of this Agreement.

3. Adjustments. On or about 135 days after the execution of this Agreement, Eximbank shall inform the Government of the actual amounts to be refunded hereunder. The parties hereto agree to make any necessary adjustments to the amounts being refunded.

4. Communications. All communications between the Government and Eximbank under this Agreement shall be in writing, in the English language (or accompanied by an accurate English translation). All communications to the Government shall be addressed to the Government at the address designated by the Government from time to time in writing to Eximbank; all communications to Eximbank shall be addressed to Eximbank at the following address:

Export-Import Bank of the United States
811 Vermont Avenue, N.W.
Washington, D.C. 20571
Attention: Treasurer-Controller
Telex: 89461 EXIMBANK WSH
197681 EXIM UT
Facsimile: (202) 565-3294

5. Governing Law. The Eximbank portion of this Agreement shall be governed by and construed in accordance with the laws of the District of Columbia, United States of America.

United States Department of State

Washington, D.C. 20520

09C.14

September 25, 1997

Dear Mr. Ambassador:

I refer to the Agreement Between the Government of the United States of America and the Government of the Hashemite Kingdom of Jordan Regarding the Consolidation and Rescheduling of Certain Debts Owed to, Guaranteed by, or Insured by the United States Government and its Agencies, signed in Amman, Jordan on August 25, 1997.

I am pleased to advise you that all necessary U.S. domestic legal requirements for entry into force of this agreement have been fulfilled. In accordance with the provisions of Article VI, you may consider the agreement as having entered into force as of the date of this letter.

Sincerely,



Robert Deutsch
Director,
Office of Monetary Affairs

His Excellency
Marwan Jamil Muasher,
Ambassador of the Hashemite Kingdom of Jordan.